

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 407th
MEETING OF THE**

BOARD OF COMMISSIONERS May 26, 2016

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on May 26, 2016 pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.

Board members present were Chairman Bernie Buonanno, Dale Venturini, Patrick Butler, Stan Israel, George Nee, Paul MacDonald, John Hooper, Tony Mendez, and Jeff Hirsh.

Joe DeLorenzo and Letitia Carter (retired but not yet replaced) were not in attendance.

Also present were James P. McCarvill, Executive Director and Donald Nadeau, Rhode Island Convention Center Authority; Larry Lepore, Amanda Wilmouth, and Pamela Bacon from the complex; Lynn Singleton, PFM/PPAC; Michael Gravison and Dan Schwartz, the VETS; Michael Crawley, LGC&D; Martha Sheridan, PWCVB; Gregory B. Stack, Budget Office; Michael Holmes, NERCC; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary

**Mr. Buonanno called the meeting to order at the meeting at 9:05 AM.
Mr. Buonanno asked for a motion to approve the minutes of the April**

Board Meeting. Upon a motion duly made by Mr. Nee and seconded by Mr. Mendez it was unanimously

VOTED: to approve the minutes of the April Board meeting.

Mr. Buonanno asked Mr. McCarvill to present the financial information for the month of April. Mr. McCarvill began his report.

Mr. McCarvill stated that for the month of April the Convention Center's net income was \$22,315 to budget and \$89,410 to the prior year. Mr. McCarvill stated that year to date the Convention Center's net income was \$954,470 to budget and \$2,126,752 to the previous year. Mr. McCarvill stated that the Convention Center is well ahead of last year. He said that parking and food & beverage are showing significant improvement. Mr. McCarvill noted that the Gordon Food Service show was a very good event. Mr. McCarvill continued with the income statement for the Dunk. He said that for the month of April the Dunkin' Donuts Center's net income variance was \$211,592 to budget and \$345,015 to the prior year. Mr. McCarvill reported that year to date net income for the Dunk was \$91,936 to budget and \$163,184 to the prior year. Mr. McCarvill said that the settlement for the NCAA Tournament is included in this month's numbers. Mr. McCarvill reported that he thinks the Dunk will do better than forecast. Mr. McCarvill reported that for the month of April the VETS net income variance was \$3,953 to budget and \$72,884 to the prior year. Mr. McCarvill said that year to date net income for the VETS

was (\$141,508) to budget and \$66,200 to the previous year. The \$25,000 insurance deductible has greatly impacted the VETS bottom line. Mr. McCarvill noted that when the parking lot is operational revenue will increase. Mr. McCarvill noted the terrific progress being made at the VETS and the anticipation that next year will be break even. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of April was \$25,530 to budget and (\$7,342) to the prior year. Year to date net income for the Authority was \$178,068 to budget and a variance of (\$49,010) to the prior year. Mr. McCarvill stated that the Convention Center Authority has very little income now that we don't get room tax revenue. He said that all expenses are salary and wages that have been reduced and support of the PWCVB and the Downtown Improvement District and Wayfinding. Mr. McCarvill said that consolidated net income variance for the month of April was \$263,390 to budget and \$499,967 to the prior year. Consolidated net income for the year was \$1,085,078 to budget and a variance of \$2,307,937 to the prior year.

Mr. Buonanno asked for a motion to accept the financial report as presented. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Nee it was unanimously

VOTED: to accept the financial report as presented.

Mr. Hirsh reported that Mike Crawley of LGC&D was asked to submit a plan to assist the Authority with their financial responsibilities. Mr.

McCarvill explained the reasons why he thought we should have someone available to supplement the Authority staff. Mr. McCarvill said that he hopes that Mr. Crawley and LGC&D will assist with SMG's contract compliance and reporting. Mr. Hirsh noted that he thinks in the current environment we need to ensure that everything is being done to protect us. Mr. Hirsh said that he envisions that Mr. Crawley;s firm will function like a CFO. Ms. Venturini asked if Mr. Crawley would attend meetings. Mr. McCarvill stated that he will be in attendance at some meetings and will be at Finance Committee meetings. Ms. Venturini said that she thinks it is a good idea and an important financial component to this group. Mr. Hooper asked if one of Mr. Crawley's assignments could be an analysis of what events work best for us and what we should stay away from. Mr. McCarvill answered yes. Mr. Hooper asked if we do better does SMG do better. Mr. McCarvill said that he is speaking with SMG to convince them that the contract should be amended to update their incentive. Mr. Hirsh asked for a motion to authorize the Authority to enter into a contract with LGC&D to provide assistance with financial services. Upon a motion duly made by Ms. Venturini and seconded by Mr. Hooper it was unanimously

VOTED: to authorize the Authority to enter into a contract with LGC&D to provide assistance with financial services.

Ms. Venturini asked Ms. Sheridan to address the Board. Ms. Sheridan said that hotel occupancy is down slightly although rate is up. Ms.

Sheridan noted that the hotel sector is very healthy right now. Ms. Sheridan reported that USA Gymnastics will be here this month and that we are pulling out all the stops. She said that this event includes some Olympic trials and may lead to other important events in the future. Ms. Sheridan reported that we are bidding on the X-Games in partnership with Commerce Corporation and the Convention Center Complex. Ms. Sheridan noted that the X-Games started in Providence and the organizers are looking at a return to a City scape. Ms. Sheridan said that we would love to see them back.

Mr. Nee reported that a new hotel will be built on parcel 12 off Exchange Street. Ms. Venturini stated that we need to expand this building and she asked Ms. Sheridan to explain layering. Ms. Sheridan said that layering would be accommodating more than one group in the City at the same time. She said that the X-Games is a good example. We have another group in the building and we will need to re-arrange things to keep both events. Mr. Mendez asked if we had any problems concerning the transgender bathroom situation. Ms. Sheridan said that we have been contacted to see if we have any problems but so far it is not an issue.

Ms. Venturini noted that the CVB contract is about to expire and asked for a motion to approve a two year renewal with the same terms and conditions expiring June 30, 2018. Upon a motion duly made by Mr. Hirsh and seconded by Mr. Butler it was unanimously

VOTED: to approve a two year renewal of the PWCVB contract with the same terms and conditions expiring June 30, 2018

Mr. Schwartz reported that the VETS is being occupied recently by graduations and competitions. Mr. Schwartz distributed a marketing piece and stated that it will be used to describe the theater, its stage size, seating capacity and ability to accommodate smaller performances. The Encore Lounge as well as renovated dressing rooms are also highlighted. Mr. Schwartz reported that the heating and cooling of the piano room is moving along. Mr. Schwartz stated that the theater had received a grant from the Champlin Foundation for the purpose of installing the old marquis from PPAC. Mr. Schwartz said that the old signage was outdated and would be difficult to maintain. He said that with the savings from in house installation of equipment in the piano room we can add to the Champlin Grant and get a new Daktronics Board.

Mr. Lepore reported that we have had an interesting lead from Peter McNally of the I 195 Commission. Mr. McNally put us in contact with Joe Gold who has this science exhibit called Body World. Mr. Lepore stated that the exhibit will be housed in the West Lobby. Mr. Lepore presented a video of the exhibit. He noted that the West Lobby is an under-utilized space that will be work for this exhibit and not adversely impact anything else that that is in the building. He said that in fact other groups that are using the building might include the exhibit in their event. Mr. Lepore stated that PSE will be handling

group sales. Mr. Lepore reported that we will get revenue from food and beverage and parking. Mr. Lepore stated that this exhibit will run through January and that Mr. Gold has other products that could work in the space. Mr. Lepore noted that the exhibit is normally housed in a science museum setting but Providence does not have such a museum. Mr. Nee suggested some outreach to area schools. Ms. Venturini said that we should consider a media event or an invited reception.

Mr. Mendez departed at 10:00 AM

Mr. MacDonald stated that he would like to recognize Mr. Lepore for stepping up and bringing something new to the building. Mr. Buonanno said that this will be a great use of the space. Mr. Lepore thanked Amanda Marzulo saying that she has been working very hard and doing a fantastic job in reworking the space to fit the exhibit's needs.

Mr. MacDonald noted that he had recently tried to park in the South Garage and it was full. Mr. McCarvill stated that the South Garage is full most days but there are enough spaces in the North Garage.

Mr. Lepore noted that it has been a long time since we have had 6 concerts on sale at the same time. He said that they are not block buster acts but they should be profitable.

Mr. Butler asked if someone could explain again why there is not more parking being attributed to the Dunk. Mr. Hooper said that this would improve the Dunk's bottom line. Mr. Israel noted that it could make a psychological impact. Mr. McCarvill noted that it would be difficult to distinguish who is parking for an event at the Dunk unless there is nothing else going on at the Convention Center. He said that some parking revenue is attributed to the Dunk but at the end of the day this is a complex and all revenue is the same.

Mr. McCarvill reported that we do not have any drawings of the Garrahy Courthouse Parking Garage yet. He noted that the State has requested drawings with options for design features. Mr. McCarvill stated that we are looking at ways to better protect the judges parking areas. Mr. MacDonald was pleased that there is more concern being shown regarding the safety of judges.

Mr. Buonanno asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Israel and seconded by Ms. Venturini it was unanimously

VOTED: to adjourn at 10:25 AM